



TotalCareMAX

LIVING ASSURANCE

ARE YOU PREPARED FOR A SERIOUS ILLNESS?

It's a fact of life that we all get sick, and sometimes seriously. The cost of recovery from an illness like cancer or from a heart attack can have a huge impact. That's when you need Living Assurance cover

WHAT IS LIVING ASSURANCE?

LIVING ASSURANCE is about helping you with survival. New Zealanders are suffering an increasing incidence of cancer and we still experience high levels of heart disease and stroke. With ongoing advances in medical science, however, you have a greater chance of surviving a serious medical condition.

Living Assurance is designed to pay a lump sum to you if you suffer a critical illness, to ensure that you can cope with its effects on your lifestyle, family and work.

WHAT DOES IT OFFER ME?

TYPE OF COVER There are 43 different serious medical conditions that are covered, such as cancer, heart attack and stroke.

■ **COMPREHENSIVE COVER** Provides a full payment for 42 of these conditions as well as a number of partial payments.

■ **ESSENTIAL COVER** Provides a full payment for 12 conditions and a partial payment for the other 31.

BENEFIT TYPE Living Assurance pays a once-only lump sum with a maximum sum assured of \$2 million.

COVER OPTIONS Rate for Age, with or without inflation or indexation linked.¹

WORLDWIDE COVER Provides cover anywhere in the world, 24 hours a day.

FINANCIAL ADVICE BENEFIT Provides a reimbursement of up to \$1,500 for financial advice received once a lump-sum payment has been made under the Comprehensive cover.

ELIGIBLE OCCUPATIONS All.

ELIGIBLE AGES From 16 years onwards (individual consideration from age 70).

TERM OF COVER Renewable each year with no age limit.

OPTIONAL CHILDREN'S AND MATERNITY BENEFIT

Provides a children's benefit of up to 50% of the Living Assurance benefit (maximum \$50,000).

¹ Living Assurance is selected with Life Cover as an accelerated benefit; indexation may apply.

WHY LIVING ASSURANCE?

Living Assurance helps you to survive financially while you take the time you need to recover.

A lump-sum payment allows you to choose how you spend the claim amount – it might be paying off your mortgage, making alterations to your house to improve access and mobility, or taking a family holiday.

With Sovereign Living Assurance, you can choose to have personal or business cover or both, depending on your needs.

- **PERSONAL:** A choice of either Comprehensive or Essential Cover.
- **BUSINESS:** Comprehensive option only.

Both personal and business policies are available as accelerated benefits on a TotalCare**Max** Life Cover policy, or as standalone benefits.

LIVING ASSURANCE IS AVAILABLE IN TWO OPTIONS:

SOVEREIGN COMPREHENSIVE LIVING ASSURANCE provides you with cover for 43 critical medical conditions with full payment of your entire sum assured for 42 conditions, and a number of partial payments depending on the severity of the condition.

SOVEREIGN ESSENTIAL LIVING ASSURANCE provides cover for the key conditions while controlling the cost of your insurance. You are still covered for 43 critical medical conditions; however, you receive a full payment for 12 conditions and a partial payment for the remaining 31 conditions.

WHAT ARE THE BENEFITS?

PROTECTING YOU AND YOUR FAMILY	
FINANCIAL SURVIVAL	<p>Many people survive an illness only to be crippled financially. Living Assurance can help you recover financially by:</p> <ul style="list-style-type: none"> ■ Eliminating or reducing debt ■ Offsetting lower levels of income for an income-earner returning to work following a critical illness ■ Creating cash for an emergency fund or cash reserve ■ Boosting retirement savings.
TREATMENT EXPENSES	A lump sum can give you the funds you need to explore alternative treatment options, without putting a severe strain on your finances.
PROTECTING YOU AND YOUR BUSINESS	
FINANCIAL SURVIVAL	<p>Living Assurance can be used to:</p> <ul style="list-style-type: none"> ■ Eliminate or reduce debt ■ Replace revenue put at risk ■ Protect against contractual penalties for non-completion/non-performance ■ Pay the recruitment costs of replacement staff.
TREATMENT EXPENSES	If you are unable to continue in the business, this benefit will provide valuable assistance preparing your business for sale, trade or even wind-up.

	3 month stand down period	COMPREHENSIVE		ESSENTIAL		Optional children's critical conditions (Comprehensive cover only)
		Full payment	Partial payment	Full payment	Partial payment	
CANCER						
Carcinoma-in-situ	✓		✓		✓	✓
Carcinoma-in-situ radical surgery	✓	✓		✓		✓
Malignant tumours	✓	✓		✓		✓
Prostate cancer	✓	✓				✓
Prostatic cancer surgery	✓			✓		
HEART						
Angioplasty	✓				✓	
Angioplasty – less than 3 vessels	✓		✓			✓
Angioplasty – 3 vessels or more	✓	✓				✓
Aortic surgery	✓	✓			✓	✓
Cardiomyopathy		✓			✓	✓
Coronary artery bypass surgery	✓	✓		✓		✓
Heart attack	✓	✓	✓	✓		✓*
Heart valve surgery	✓	✓			✓	✓
Out-of-hospital cardiac arrest		✓			✓	✓
Pulmonary hypertension		✓			✓	✓
MAJOR NEUROLOGICAL DISEASE						
Alzheimer's disease		✓			✓	✓
Benign brain tumour		✓	✓		✓	✓*
Coma		✓			✓	✓
Creutzfeldt-Jakob disease		✓			✓	✓
Dementia		✓			✓	✓
Encephalitis		✓	✓		✓	✓*
Idiopathic Parkinson's disease		✓	✓		✓	✓*
Major head trauma		✓			✓	✓
Meningitis		✓			✓	✓
Motor neurone disease		✓			✓	✓
Multiple sclerosis	✓	✓	✓		✓	✓*
Muscular dystrophy		✓	✓		✓	✓*
Peripheral neuropathy		✓			✓	✓
Stroke	✓	✓		✓		✓
PARALYSIS AND LOSS OF FUNCTIONALITY						
Diplegia		✓		✓		✓
Hemiplegia		✓		✓		✓
Loss of independent existence		✓			✓	✓
Paraplegia		✓		✓		✓
Permanent blindness	✓	✓	✓		✓	✓*
Permanent loss of hearing		✓	✓		✓	✓*
Permanent loss of speech		✓			✓	✓
Permanent loss of use of limbs		✓	✓		✓	✓*
Quadriplegia/Tetraplegia		✓		✓		✓
OTHER KEY CONDITIONS						
Aplastic anaemia		✓			✓	✓
Chronic liver failure	✓	✓			✓	✓
Chronic lung disease	✓	✓			✓	✓
Chronic renal failure		✓		✓		✓
HIV		✓			✓	✓
Intensive care benefit		✓			✓	✓
Major burns		✓			✓	✓
Major transplant surgery		✓		✓		✓

* Partial payment unavailable

INFORMATION ABOUT BENEFITS Sovereign could pay a benefit if the person covered suffers any of these conditions and meets the policy definition and survives for at least 14 days. The full definitions of these conditions can be found in the policy document.

For any condition where you can claim a full payment, you can make only one claim under the policy.

For conditions with built-in partial payments, the partial payment amount can be found in the policy document. The Living Assurance sum assured will be reduced by the amount of the benefit paid for these built-in partial payments.

For those conditions marked as having a three-month stand-down, Sovereign will not pay a benefit if the life assured suffers the condition for the first time or has any symptom of a condition within three months after the policy commencement date (or, in respect of an increase in benefit, within three months after the effective date of the increase).

OPTIONAL ADD-ONS

You can choose to extend your cover with the following options for Living Assurance

CHILDREN'S AND MATERNITY BENEFIT is an optional benefit with a set monthly premium for those with children or planning a family. This benefit provides a financial 'buffer' if your child suffers one of the 43 serious medical conditions, with a lump-sum payment up to a maximum of \$50,000. This means that, if you have to stop work or your child requires extra care, you don't have to worry. You'll also be covered for a number of pregnancy complications.

The Children's and Maternity Benefit is only available with Comprehensive Living Assurance.

EARLY CANCER UPGRADE BENEFIT provides additional cover for a number of minor cancer conditions that are treatable and non-life-threatening in the early stages. This benefit gives you an extra payment up to a maximum of \$50,000 (without reducing your total sum assured) – allowing you the flexibility to choose treatment options and minimise the impacts on your day-to-day living.

The Early Cancer Upgrade Benefit is only available with Comprehensive Living Assurance.

LIVING ASSURANCE BUY-BACK BENEFIT allows you to keep your Living Assurance cover by reinstating the benefit amount following a claim, without having to provide further medical evidence. You can choose this option both for a standalone Living Assurance policy and for Living Assurance as an accelerated benefit on a TotalCareMax Life Cover policy.

The Living Assurance Buy-back Benefit is only available with Comprehensive Living Assurance.

BUSINESS SAFEGUARD FACILITY is a great option for a growing business; it gives you the option to increase your sum assured as your financial interests or value to the business increases.

LIFE COVER BUY-BACK BENEFIT allows the original TotalCareMax Life Cover benefit to be reinstated following a Living Assurance claim, without your having to provide further medical evidence. This is a great option if you have Living Assurance as an accelerated benefit on a TotalCareMax Life Cover policy and want to make sure your family still has protection for the future.

Not all add-ons apply to all types of cover. To find out full conditions and definitions for these optional add-ons, please refer to TotalCareMax Living Assurance policy wordings (Personal and Business).

SPECIALIST AND DIAGNOSTIC TESTING gives you the freedom to select the best specialist available and helps you to avoid a long wait for essential treatment. This benefit is designed to pay for your specialist consultations, such as oncologist and cardiologist consultations, as well as diagnostic procedures, such as MRI and CT scans. It covers up to \$3,000 per life assured, per policy year. It also provides access to Best Doctors® (a New Zealand first).



WHAT ARE THE CHANCES OF SURVIVING A CRITICAL ILLNESS?

ONE IN FIVE MEN AND ONE IN SEVEN WOMEN

between the ages of 30 and 64 will suffer a critical illness.²



IN 2007, THERE WERE 19,736 NEW CANCER CASES and 8,519 cancer deaths in New Zealand.³

52% OF MALE AND 59% OF FEMALE CANCER PATIENTS WILL RECOVER and be alive five years later.⁴

EVERY DAY, ABOUT 22 PEOPLE IN NEW ZEALAND HAVE STROKES

(about 8,000 people per year).⁵ The University of Auckland has revealed a 40% decline in the number of deaths after stroke in the total population of Auckland, over the past 25 years. However, as the death rate declines, there has been a significant increase in the number of patients suffering from impaired levels of consciousness and mobility following strokes.⁶



2 Gen Re LifeHealth 'Australian Critical Illness Survey 2008'

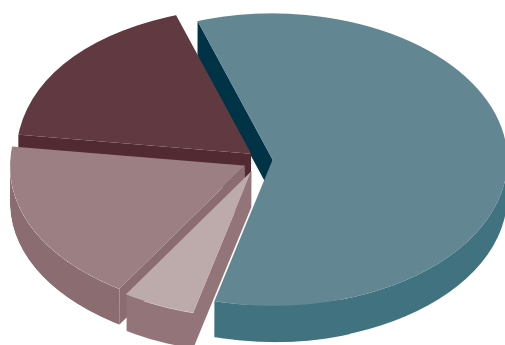
3 Ministry of Health – Cancer: New registrations and deaths, 2007




4 South Australian Cancer Registry, 2003

5 The Stroke Foundation of New Zealand, 2010

6 The George Institute for International Health, in collaboration with Auckland City Hospital and The University of Auckland, 2007

LIVING ASSURANCE TOP CLAIM CAUSES 2008/2009



	CANCER	60%
	HEART DISEASE	26%
	OTHER	9%
	STROKE	5%

Source: Sovereign, November 2009

If you were to suffer a critical illness, how would you pay the mortgage or car loan, or simply maintain your lifestyle? And if you owned a business, could it continue to operate successfully while you were recovering?

SOVEREIGN

Sovereign has been a part of New Zealanders' lives since 1989 and today provides life, business and health insurance, home loans, investment and superannuation products to more than 650,000 customers.

One in every five New Zealanders over the age of 15 years has a relationship with Sovereign.¹

Our products are carefully designed to meet the specific needs of our many and varied personal and business customers, helping them build independence and financial freedom.

WE ARE:

- The country's leading life insurance company
- New Zealand's largest non-bank home loan provider
- The country's third-largest health insurance provider on the basis of premiums and memberships
- One of New Zealand's largest workplace risk insurers
- One of the largest companies in New Zealand for total funds under management, managing over \$2.5 billion (as at 30 June 2010).



THERE WHEN YOU NEED US...

With Sovereign, you can be confident that we'll be there when you need us. We pay out more in claims than any other life insurer in New Zealand – providing our customers with financial support in their times of need. During the year ended June 2010, Sovereign paid out over \$272 million in all claims. Overall, Sovereign pays 97% of all claims.²

We're dedicated to working closely with our customers to achieve the best possible outcomes when the unexpected happens.

Our philosophy on all claims is to make the process easy for you and your loved ones.

Our team of experienced claims specialists is ready to assist should you need to make a claim.

¹ Census 2006 – Statistics New Zealand

² Sovereign Claims Department, June 2010

OTHER THINGS YOU SHOULD KNOW: The availability of insurance cover is subject to your application being approved. All applications are subject to individual consideration. Special conditions, exclusions and premium loadings may apply. This insurance is underwritten by Sovereign Assurance Company Limited ('Sovereign'). For full details of the products and benefits offered by Sovereign, please refer to the policy document(s) which are available from Sovereign.

Sovereign, the policy insurer, is part of the Commonwealth Bank of Australia Group and is a related company of ASB Bank Limited and its subsidiaries ('the Banking Group'). Neither the Banking Group, the Commonwealth Bank of Australia, nor any of their directors, nor any other person guarantees Sovereign or its subsidiaries, nor any of the products issued by Sovereign or its subsidiaries.

LIFE INSURANCE • HOME LOANS • INVESTMENTS

TELEPHONE +64 9 487 9000 **FACSIMILE** +64 9 487 8003

FREEPHONE 0800 500 108 **FREEFAX** 0800 329 768

EMAIL enquire@sovereign.co.nz **WEB** www.sovereign.co.nz

SOVEREIGN HOUSE 74 Taharoto Road, Takapuna,

North Shore City 0622

PRIVATE BAG SOVEREIGN Victoria Street West, Auckland 1142